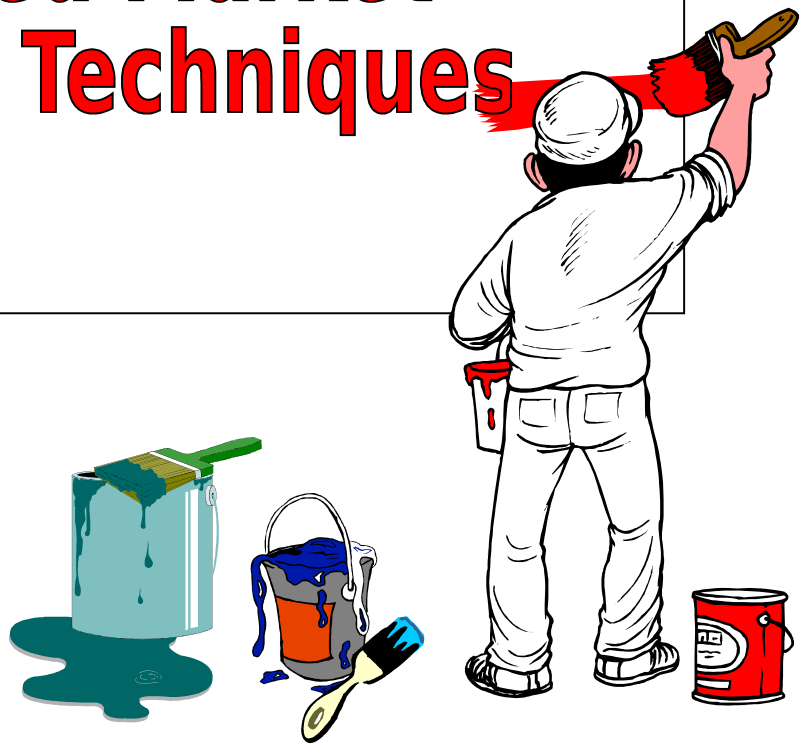
Advanced Market Research Techniques



Definition

Market Research

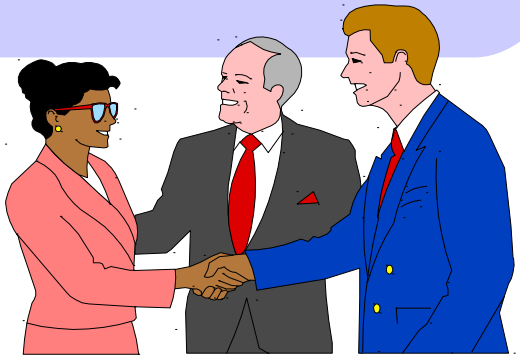
- *a continuous process*
- *for gathering dat*
- *plus analysis of that dat*

PRODUCT CHARACTERISTICS

SUPPLIER'S CAPABILITIES

BUSINESS PRACTICES

to make acquisition decisions !!!



Market Research = Sum of Two Processes

Surveillance - An ongoing function -- Should not be dependent on requests for

Provides a general sense of the products available in the market and their characteristics and capabilities.

+

Investigation - A focused, in-depth effort -- based on a specific requirement

Determine, with a high degree of confidence, whether any products or services will satisfy the need, or can be modified or tailored accordingly.

Policy

- **Developing new requirements document**
- **Soliciting offers expected to exceed the Simplified Acquisition Threshold (SAT)**

The *1st* step *BEFORE*...

Why Perform Market Research?

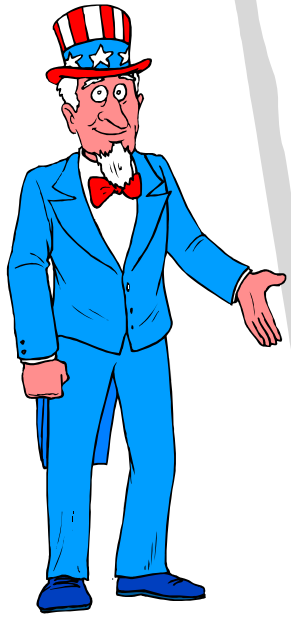
It's the law...

1. *Buy commercial/NDI to satisfy agency needs.*

2. *Require primes and subs to incorporate commercial items in systems.*

3. *State requirements in terms that encourage suppliers to offer commercial items.*

4. *Remove impediments to the acquisition of commercial items.*

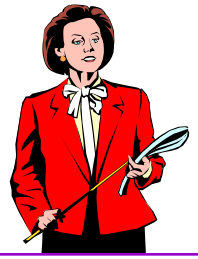


...and it's smart!

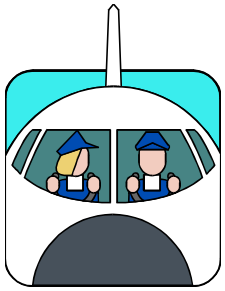
Who Does Market Research?

Logistics Specialist

Testing Specialist



Cost Analyst



User

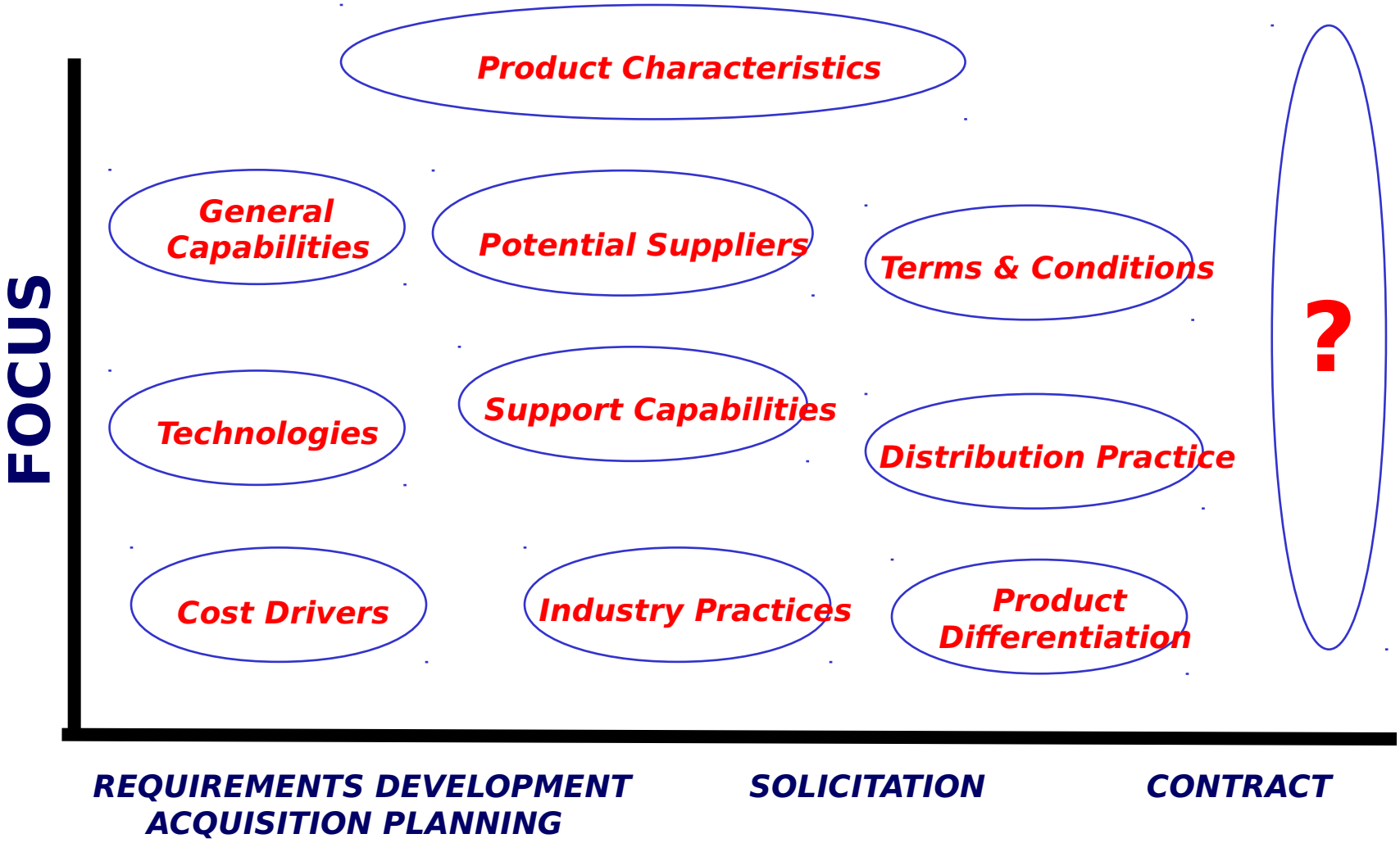
The Acquisition Team

Legal Counsel

Program Manager

Contracting Officer

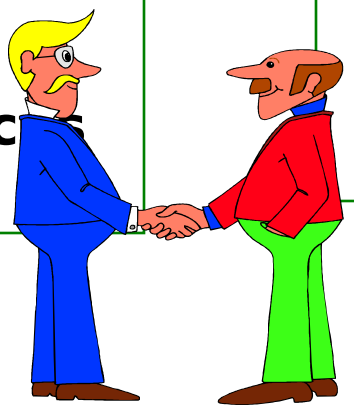
When is Market Research Done?



Responsibilities

Customer

- Strategic planning
- Technical Expertise
- Acquisition planning
- Requirement development
- Cost estimating
- Commercial practic



Contracting Personnel

- Commerciality decision
- Price reasonableness
- Customer assistance -
  - ✓ Planning
  - ✓ Tech package developme
  - ✓ Commercial practices

What Starts The Process?

Idea

Document
Item of a type
Service of a type

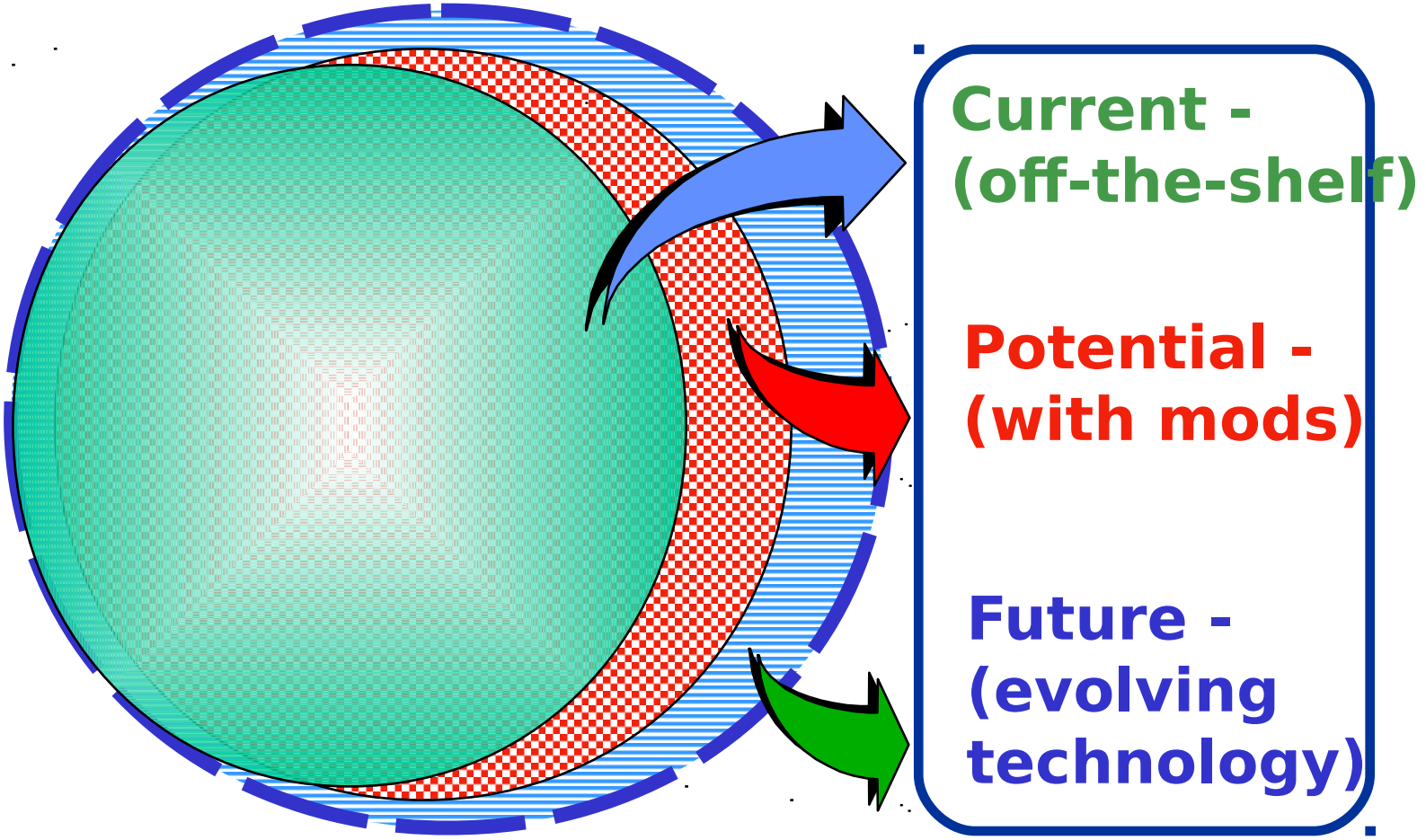
Situation

What Exactly IS the Need?

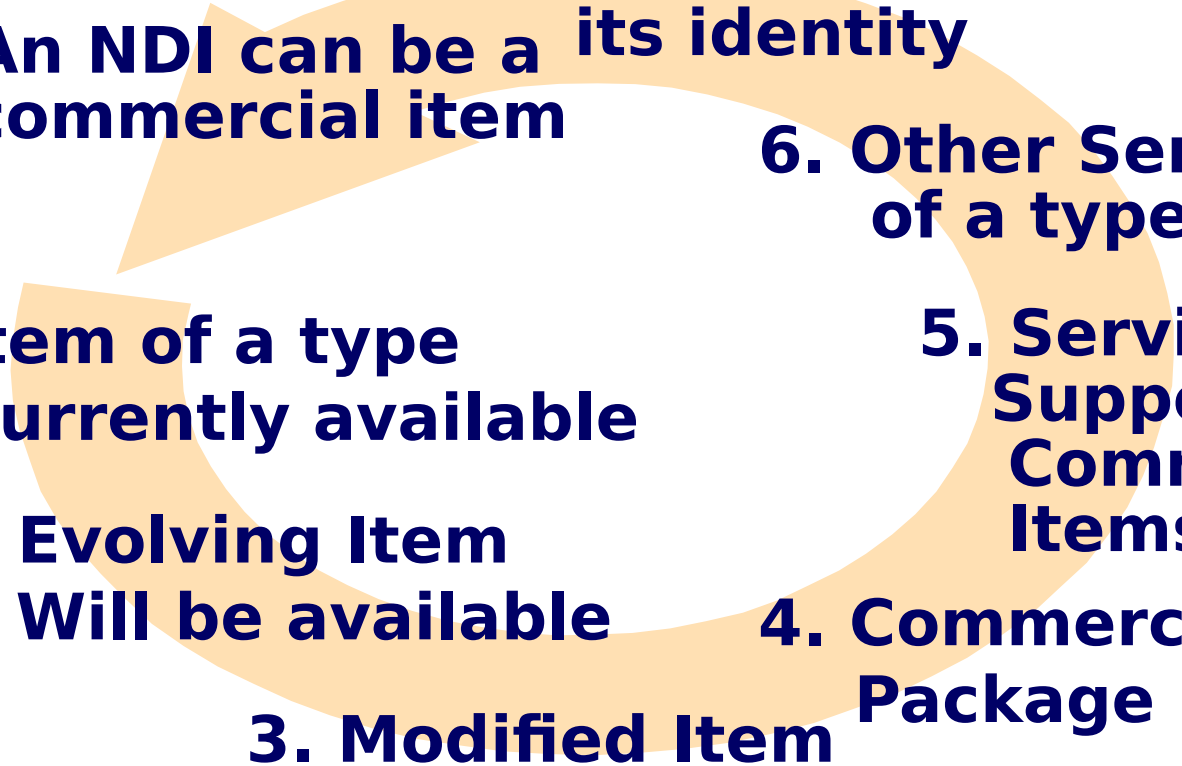
Security Services

- ***Threat Assessment***
- ***Surveillance***
- ***Office Physical Security***
- ***Information System Securit***

Market Capability

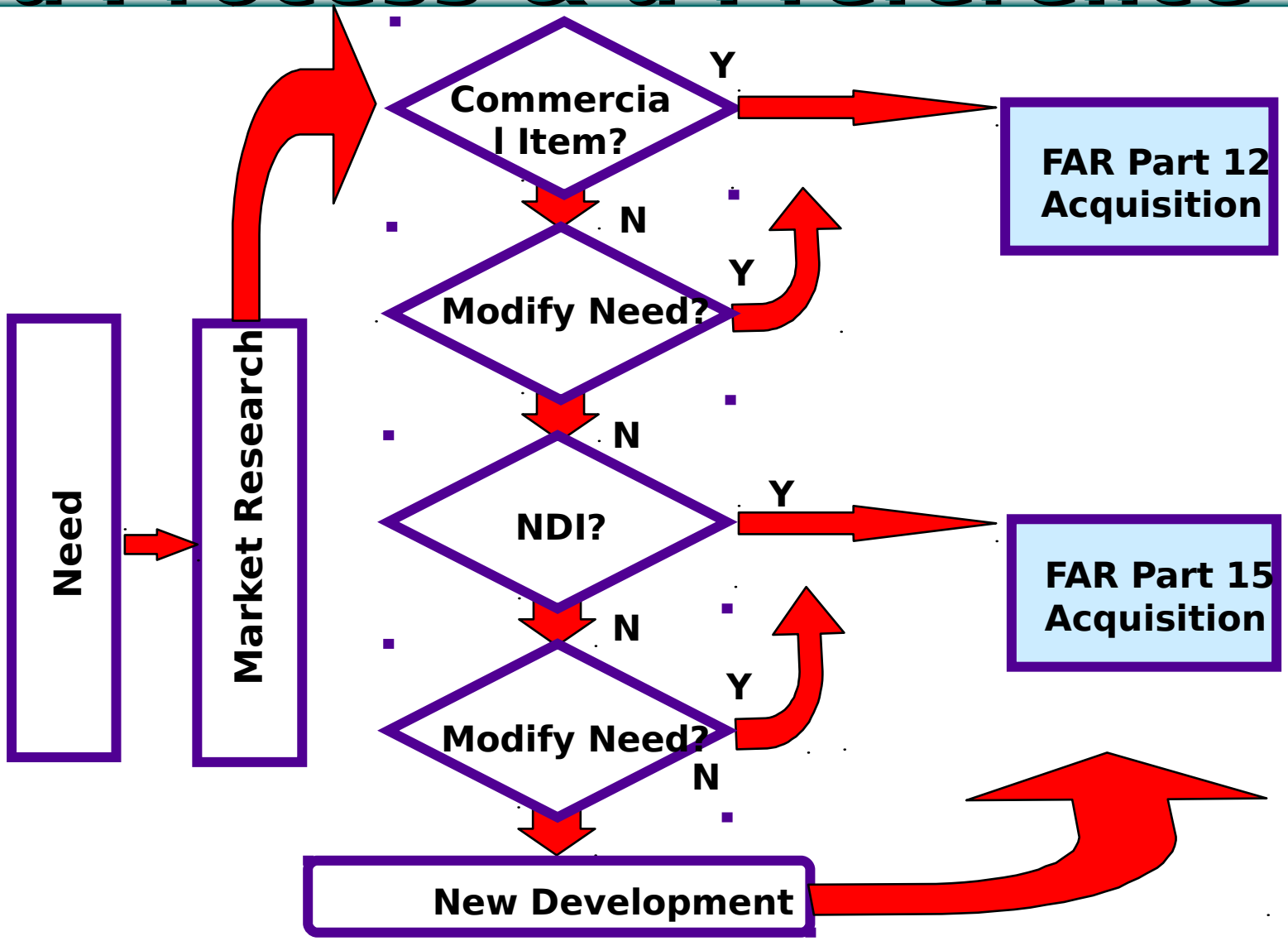


Commercial Item Definitions



1. Item of a type Currently available
2. Evolving Item Will be available
3. Modified Item Would be available
4. Commercial Item Package
5. Services in Support of Commercial Items
6. Other Services of a type
7. A CI retains its identity
8. An NDI can be a commercial item

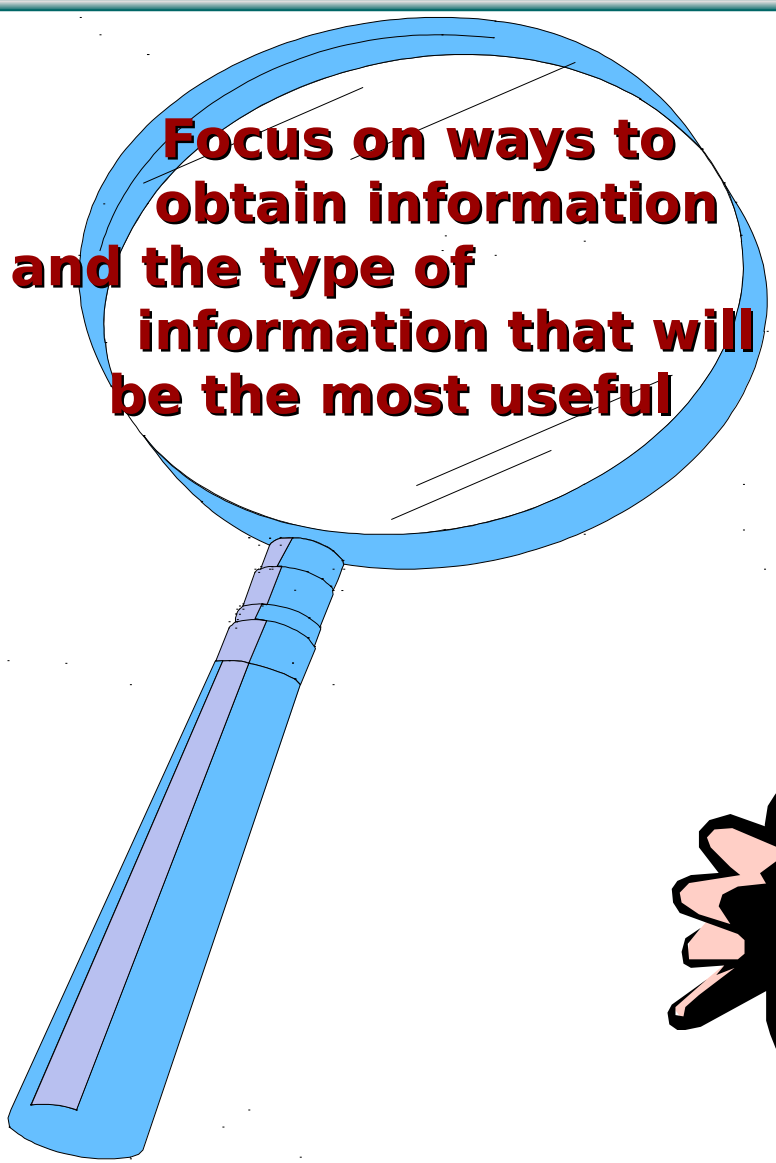
FAR Part 7 Establishes a Process & a Preference



Principles of Market Research

- *Start early*
- *Involve users*
- *Communicate*
- *Market research is iterative*
- *Tailor the investigation*
- *Refine as you proceed*

Develop the Plan

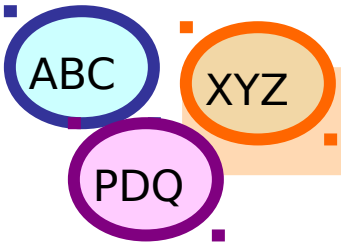


Obtaining and Documenting Market Research

Set up a filing system to document fin

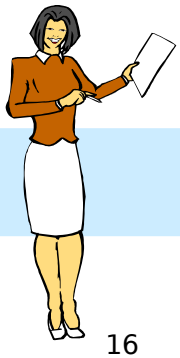
Tailor to complexity of requirement

Focus on decision making tools

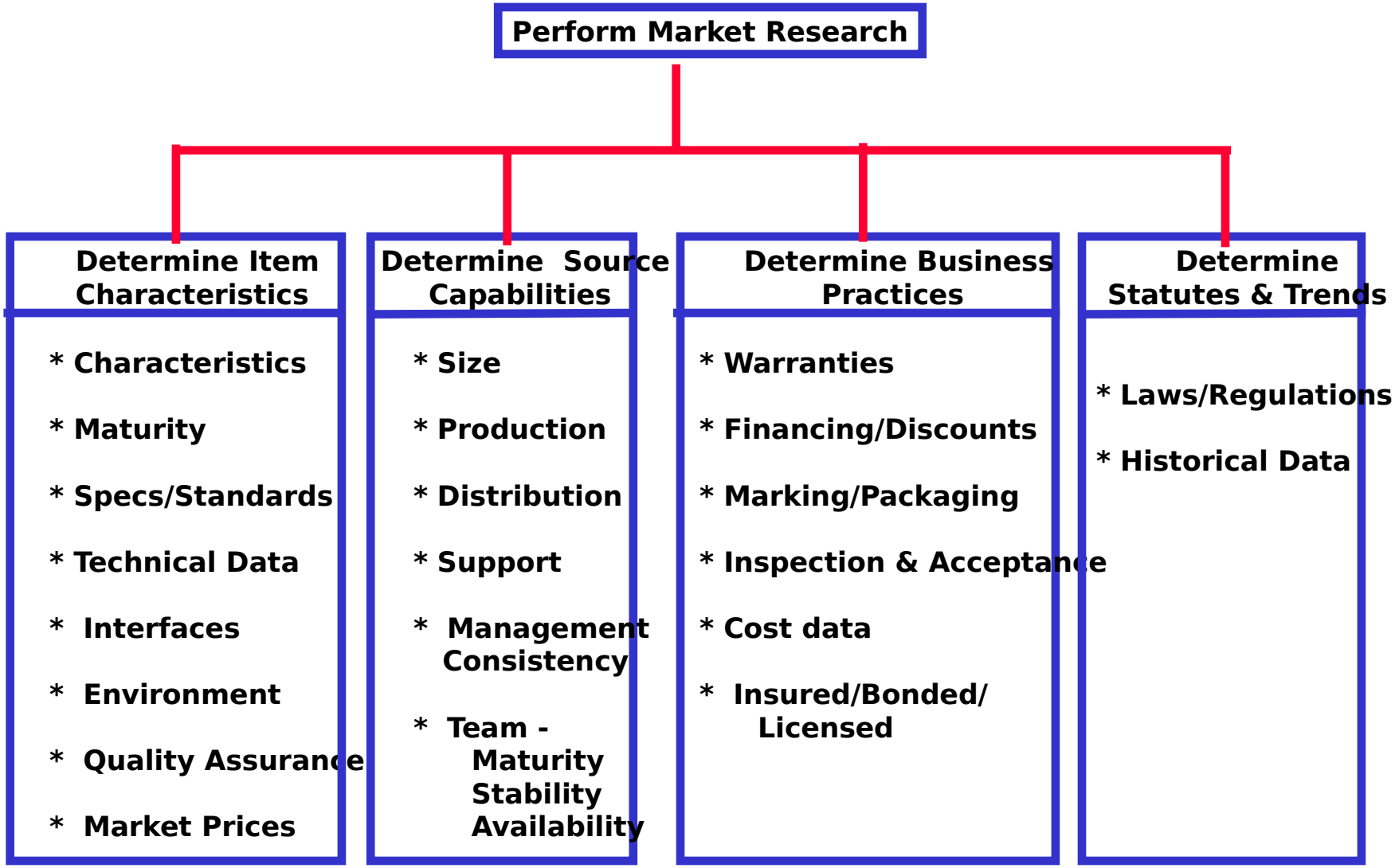


Use multiple sources and assess confidence lev

Know the marketplace



What Are We Looking For?

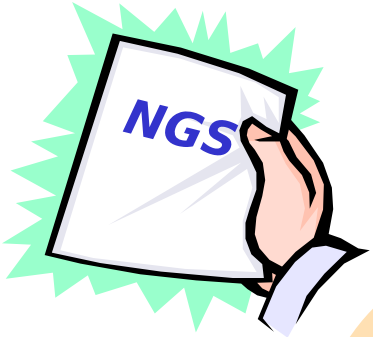


Determine Item Characteristics

Determine Item

Characteristics

* Characteristics
* Maturity
* Specs/Standards
* Technical Data
* Interfaces
* Environment
* Quality Assurance
* Market Prices



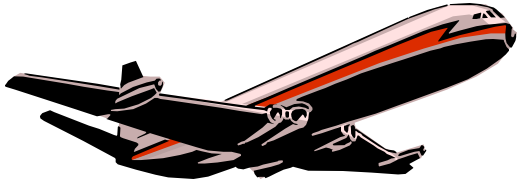
OPEN SYSTEM ?

SOP 15-3

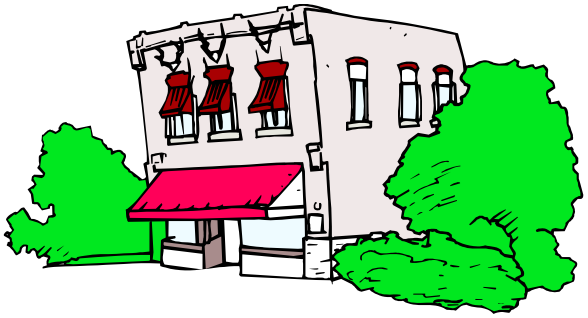
Determine Source Capabilities

Determine Source Capabilities

* Size
* Production
* Distribution
* Support
* Management Consistency
* Team -
  - Maturity
  - Stability
  - Availability



Wholesaler?
Distributor?
Retailer?



Determine Business Practices

Determine Business Practices

* Warranties
* Financing/Discounts
* Marking/Packaging
* Inspection & Acceptance
* Cost data
* Insured/Bonded/ Licensed

9-5 M -F

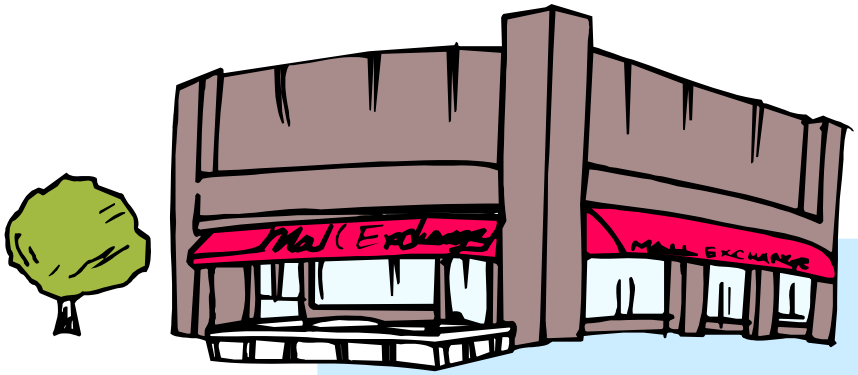
Determine Statutes/Trends

Determine Statutes & Trends

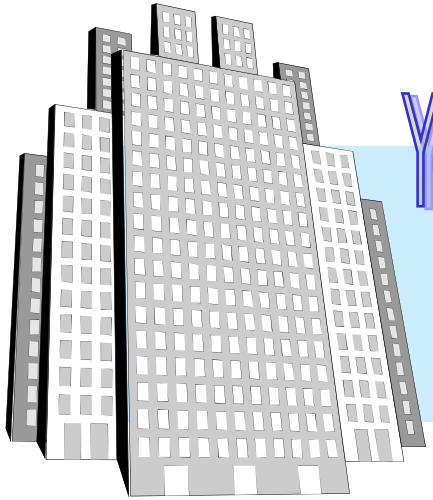
* **Laws/Regulations**

* **Historical Data**

General Sources of Information



The Marketplace



Your Office

The Market Place

Contract Management Program

ESI

1998 Catalog

Public and On-Site Training
Government and Commerc

Master's Certificate Progra

Authoritative Publications

Manufacturer/Supplier Catal

Trade Journals/Periodicals

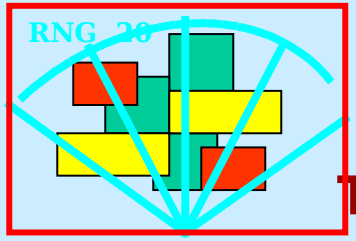
New Product Announcement

AVIATION WEEK & SPACE TECHNOLOGY

A PUBLICATION OF McGRAW-HILL COMPANIES - APRIL 21, 1997

In this issue:

ENHANCED GPWS

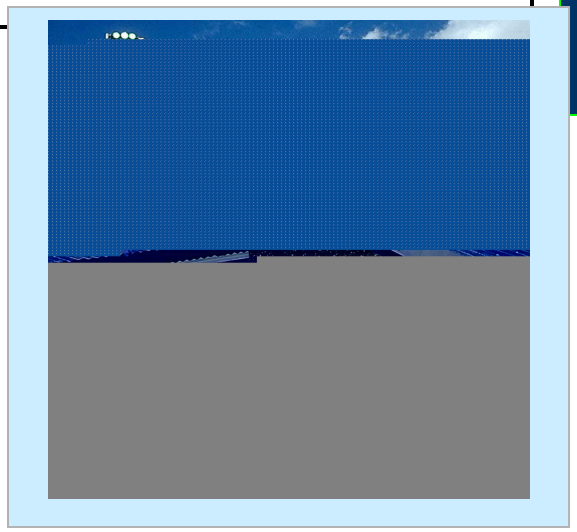


Getting the Terrain Picture

The Market Place (Cont)

EVENT	FORD	GM	CHRYSLER
Acceleration 0-60	7.9 sec	8.3 sec	8.1 sec
MPG	16	15	17
HP	223	213	211
Weight	2238	2900	2445
Braking at 60 MPH	230 ft	287 ft	244 ft

Source: Popular Science



NAA WINTER CONFERENCE

- NETWORKING
- SPEAKERS
- TOURS
- SPECIAL RATES
- DISCOUNTS

JANUARY 26 - 31 CANCUN

Test Reports

Industrial Shows/Conferences

On-site Visits

The Internet

Market Information

Product Information

Sources

Daily Security News Serv

- **The Security Industry**
- **False Alarm News**
- **Protecting Retail Facilities**
- **Millennium Bug News**
- **Prevention of Business Crim**

1	**Wells Fargo Alarm Systems King of Prussia, PA**
2	**A. F. Y. Distributors Fairfield, NJ**
3	**Industrial Safety Company Lima, OH**

SMART CARDS

BURGLAR ALARMS

SECURITY SYSTEMS

The Internet (Cont)

www.thomasregister.com

- 52,000 products/services
- 1.5 million sources
- Company profiles
- Specifications

Full package requires purchase of CD - $200

Thomas Register

Professional Associations

Dun & Bradstreet

www.dnb.com

- Company demographics
- ISO 9000 registration
- Past performance informati

Search free, but reports, pubs, analyses = $$$

NATIONAL

BURGLAR & FIRE ALARM

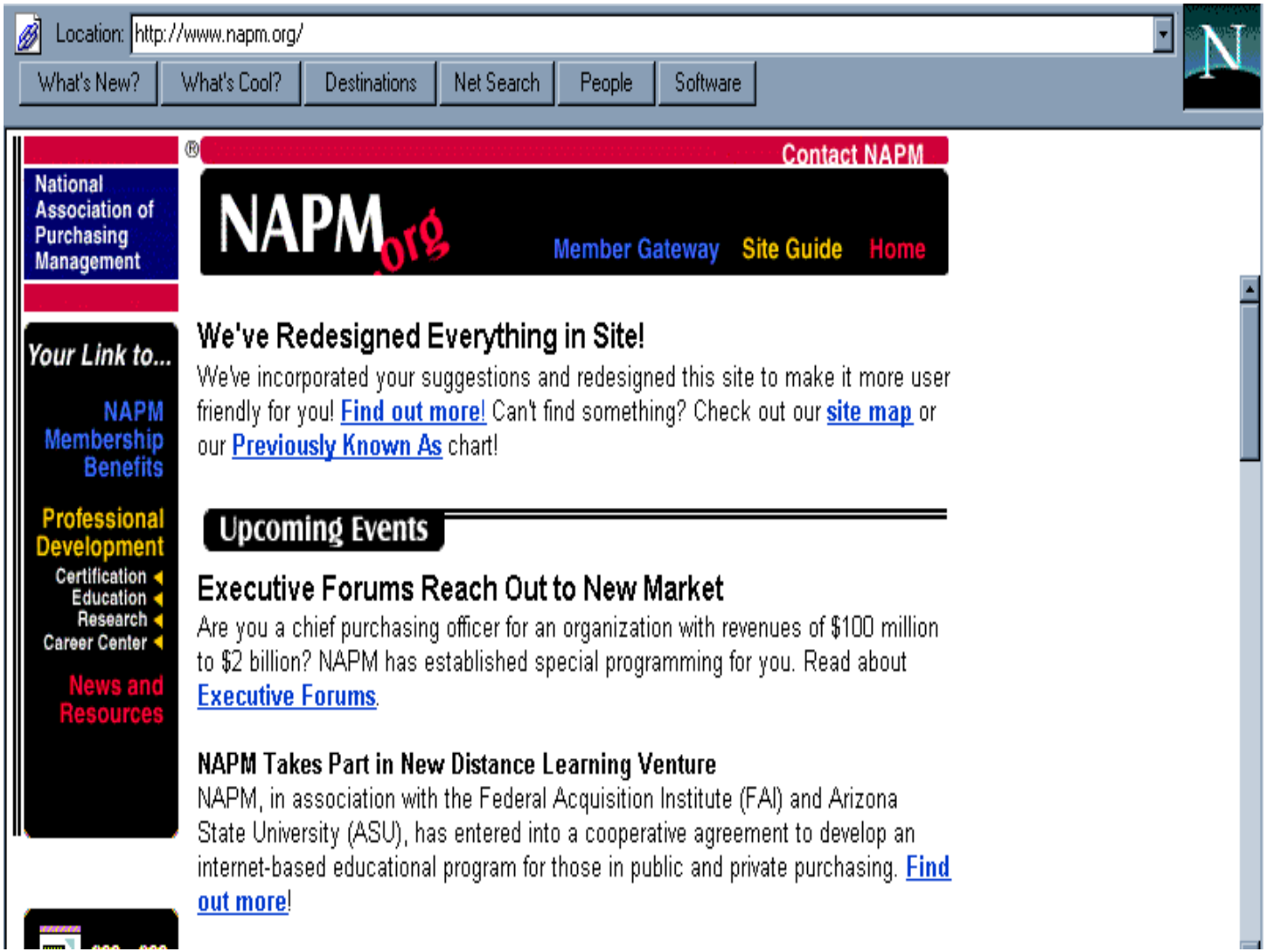
MEMBER

Central Station Alarm Assn

http://www.natlarb.com/

Location: http://www.natlarb.com/
What's New?
What's Cool?
Destinations
Net Search
People
Software
National Arborist Association
NAA
"Dedicated to the Advancement of Commercial Tree Care Businesses .. Marking 60 years of Excellence"
Information for Consumers
Information for Professionals
Industry Information
Contact Information
Welcome to the the home page of National Arboriet Aeeociation (NAA). The NAA ie a trade aeeociation of commercial tree care firme, eetabliehed in 1938. Our aeeociation develope eafety and education programe, etandarde of

http://www.napm.org/


Location: http://www.napm.org/
What's New?
What's Cool?
Destinations
Net Search
People
Software
Contact NAPM
National Association of Purchasing Management
NAPM.org
Member Gateway
Site Guide
Home
Your Link to...
NAPM Membership Benefits
Professional Development
Certification
Education
Research
Career Center
News and Resources
We've Redesigned Everything in Site!
We've incorporated your suggestions and redesigned this site to make it more user friendly for you! Find out more! Can't find something? Check out our site map or our Previously Known As chart!
Upcoming Events
Executive Forums Reach Out to New Market
Are you a chief purchasing officer for an organization with revenues of $100 million to $2 billion? NAPM has established special programming for you. Read about Executive Forums.
NAPM Takes Part in New Distance Learning Venture
NAPM, in association with the Federal Acquisition Institute (FAI) and Arizona State University (ASU), has entered into a cooperative agreement to develop an internet-based educational program for those in public and private purchasing. Find out more!

http://www.imart.org/

Location: http://www.imart.org/
What's New?
What's Cool?
Destinations
Net Search
People
Software
i-MART
HOME
General Search
Links to Search Engines
Market Research Tutorial
Pricing Tool Prototype
Enhanced Search Prototype
Commercial Advocates
imartadmin@www.imart.org
Welcome to
i-MART
I notice that you are using an old version of NetScape. While this version basically works, version 4 of Netscape Navigator is much more solid, and *faster*. In the near future, this site and many others will *not function correctly* with version 3 browsers. You can click here to visit the Netscape site to download the installer for the latest version.

http://www.sbaonline.sba.gov/

http://pro-net.sba.gov/

http://www.dsp.dla.mil/

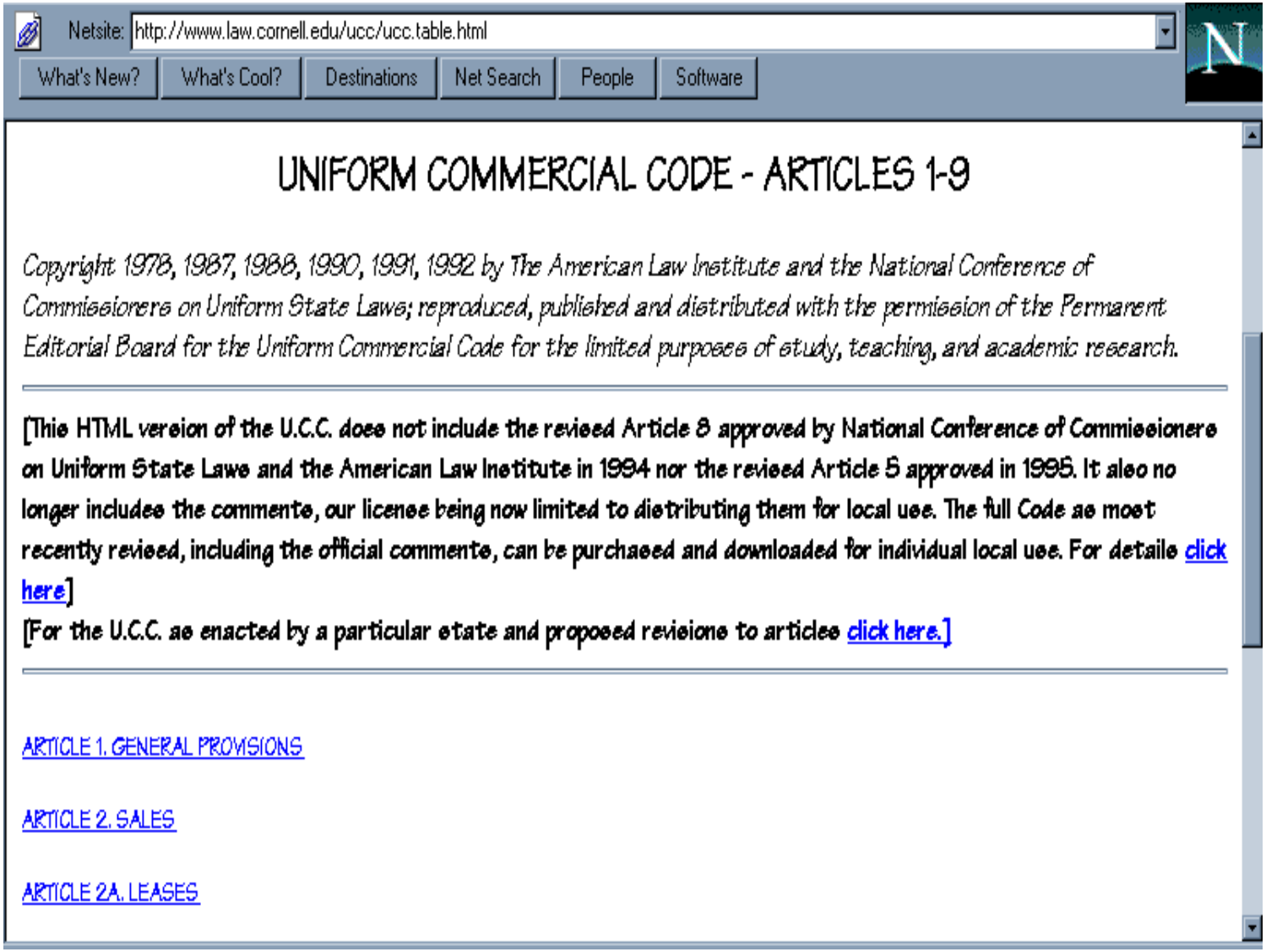
Defense Standardization Program (DS

Performance, Affordability, Readiness
…through Strategic Standardization

- What's New
- About the DS
- Library
- Related Link
- Help
- Search
- Feedback
- Home

SD2
SD5
SD11

ttp://www.law.cornell.edu/ucc/ucc.table.html


Netsite: http://www.law.cornell.edu/ucc/ucc.table.html
What's New?
What's Cool?
Destinations
Net Search
People
Software
UNIFORM COMMERCIAL CODE - ARTICLES 1-9
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[This HTML version of the U.C.C. does not include the revised Article 8 approved by National Conference of Commissioners on Uniform State Laws and the American Law Institute in 1994 nor the revised Article 5 approved in 1995. It also no longer includes the comments, our license being now limited to distributing them for local use. The full Code as most recently revised, including the official comments, can be purchased and downloaded for individual local use. For details click here]
[For the U.C.C. as enacted by a particular state and proposed revisions to articles click here.]
ARTICLE 1. GENERAL PROVISIONS
ARTICLE 2. SALES
ARTICLE 2A. LEASES

http://gartner3.gartnerweb.com/

Yellow Pages

ABC

www.abc.com

Top 10 Reasons To Call ABC Security Services

10. USAs most experienced security company
9. U.L.approved 24 hour ABC customer monitoring
8. Burglar, Fire, Medical Emergency, Card Access, C
7. Used by 85% of *Fortune 500* companies
6. Homeowners insurance premium discount to 20
5. FREE home relocation offer
4. FREE security review
3. Moneyback 6 month Service Excellence Guarant
2. Low monthly monitoring fee
1. U.L. listed equipment

NATIONAL BURGLAR & FIRE ALARM MEMBER

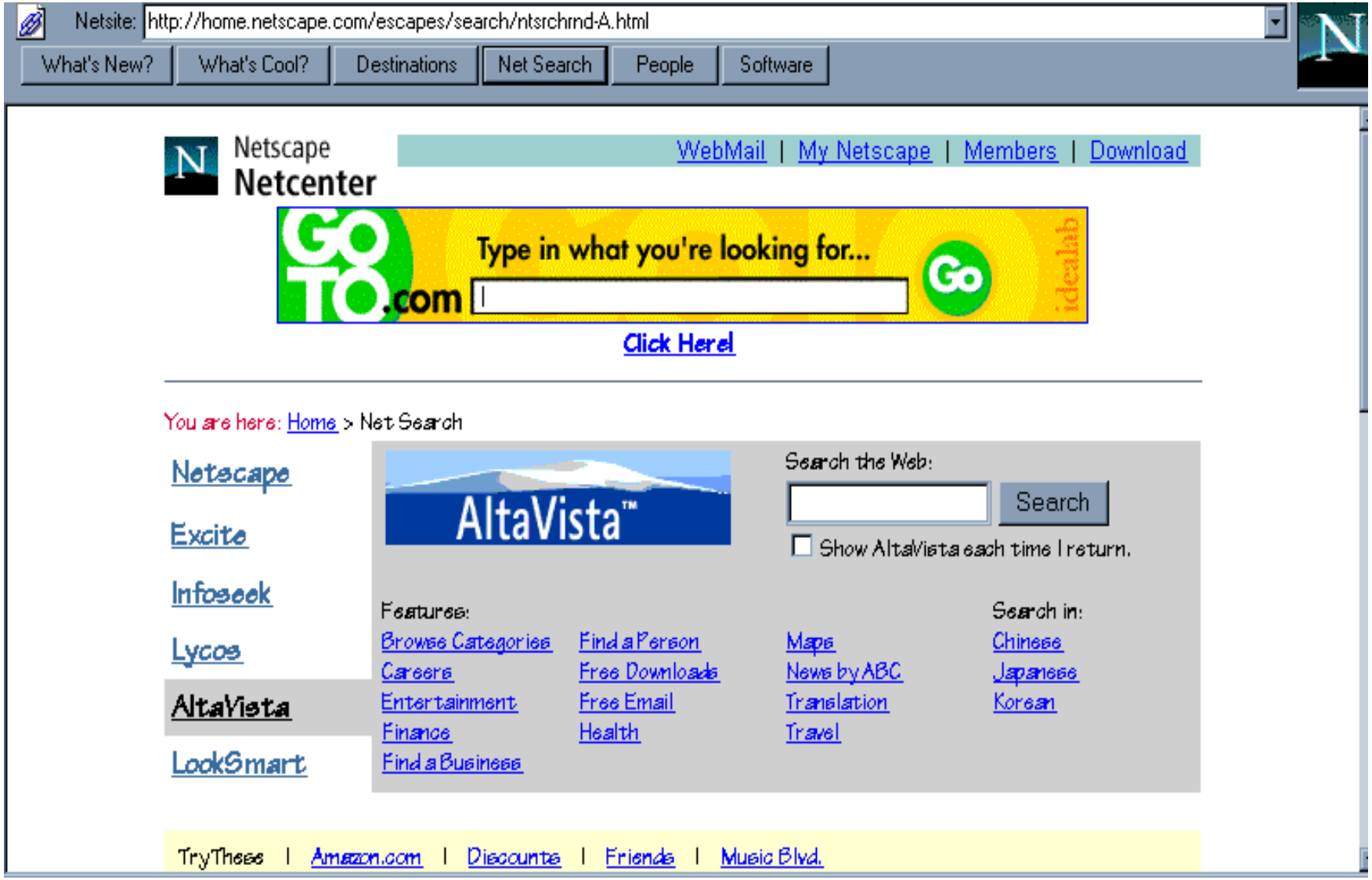
VISA DISCOVER AMERICAN EXPRESS MasterCard

Commercial Sales 703-912-1234
Residential Sales 703-912-4445

Customer Service
800-222-2233

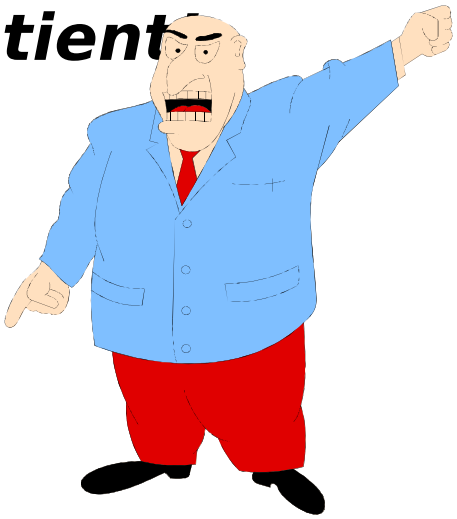
Central Station Alarm Assn

Search Engines



Search Tips

- ***Use search engine tips/guides***
- ***Be specific***
- ***Be patient***



...tree service...

27,774,557 hits

...forestry...

214,257 hits

...arborist...

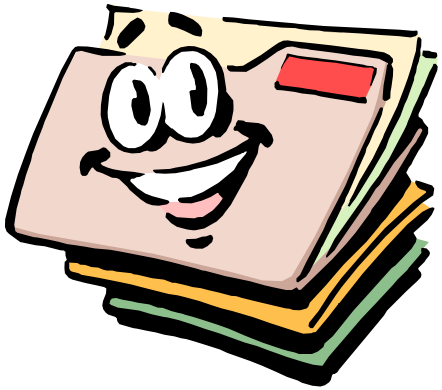
1,444 hits

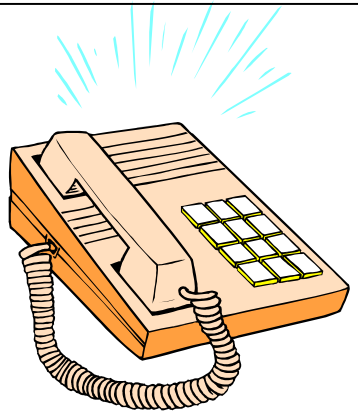
...arborist - 22152...

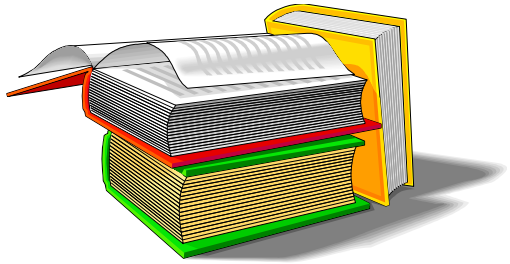
7 hits

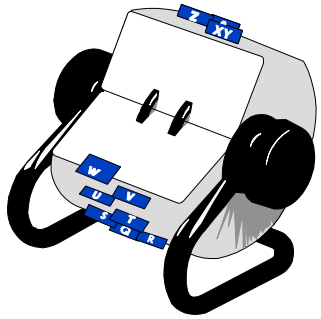
Your Office

- Previous Procurements
- Source Lists
- Technical Library
- Other Government Offices









Common Denominator → ***It's already done! Just harvest it***

More of Your Office

Requests for Information (Includes AMS)

Draft RFPs

Unsolicited Proposals

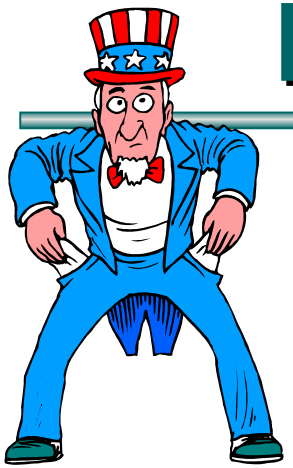
Focused!

Target of Opportunity

General to Specific Relationships

		PROD/SVC CHAR	SOURCE CAPAB	BUS PRAC	STAT TRENDS
MARKET PLACE	Trade Journals/Periodicals	X	X		X
	Manufacturer Catalogs	X	X	X	
	New Product Announcements	X			
	Test Reports	X			
	Industrial Shows/Conferences	X	X		
	On-site Visits	X	X	X	
	Library	X	X	X	X
INTERNET	Market Information	X		X	X
	Product Information	X	X		
	Thomas Register	X	X		X
	Professional Associations	X	X	X	X
	Dun & Bradstreet	X	X	X	
	Yellow Pages	X	X	X	X
OFFICE	Previous procurements	X	X	X	X
	Source lists	X	X		
	Technical Library	X		X	X
	Other Government offices	X	X	X	X
	Requests for Information	X	X	X	X
	Draft RFPs	X	X	X	
	Unsolicited Proposals	X	X	X	X

Document Your Effort



Agencies should document the results of market research in a manner appropriate to the size and complexity of the acquisition.

FAR 10.0002(e)

Why?

- **Enable the sharing of information**
- **Eliminate/minimize duplication of effort**
- **Facilitate organization of research results**
- **Preserves the record**
- **Maintain an official file**
- **Provides the basis for the commerciality de**

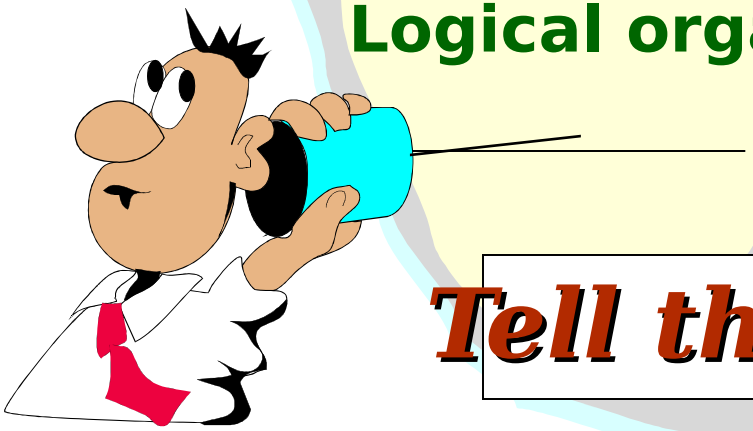
Report/Format

No particular format required

Matter of judgement based on:

- ✓ **Urgency**
- ✓ **Complexity**
- ✓ **Dollar Value**
- ✓ **Existing Knowledge**

Logical organization



Tell the story!

Suggested Inclusions

- ***General description of the procurement***
- ***Identification of researcher(s)***
- ***Description of agency need***
  - ***Characteristics***
  - ***Supplier capabilities***
  - ***Business practices***
  - ***Statutes and trends***
- ***Schedule requirements***

More Suggestions

- **Methodology used to compile potential supplier**
  - **Number of sources contacted**
  - **List of suitable sources (include documenta**
  - **Rationale for excluding sources**
- **Information obtained from sourc**
- **Market Analysis**

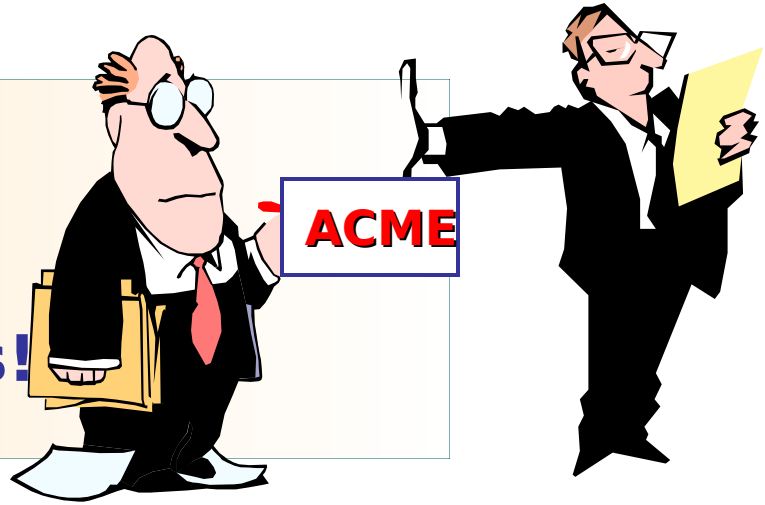
Still More Suggestions

- *Summary of customary business practices*
- *Identification of pricing issues*
  - *Price range*
  - *Explanation of price variations*
- *Historical trends*
- *Summary description of available commercial o nondevelopmental items that satisfy the need*
- *Actual market research data*

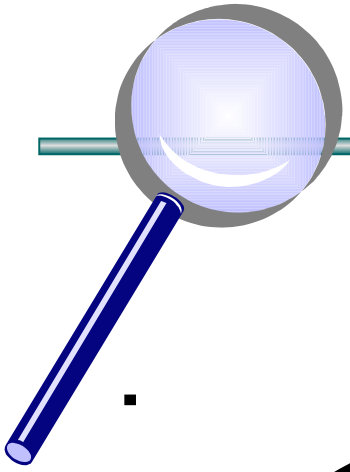
Remember !

You are looking for the ***capability*** of the market place to meet the need...

The market research process is ***NOT*** the source selection process!

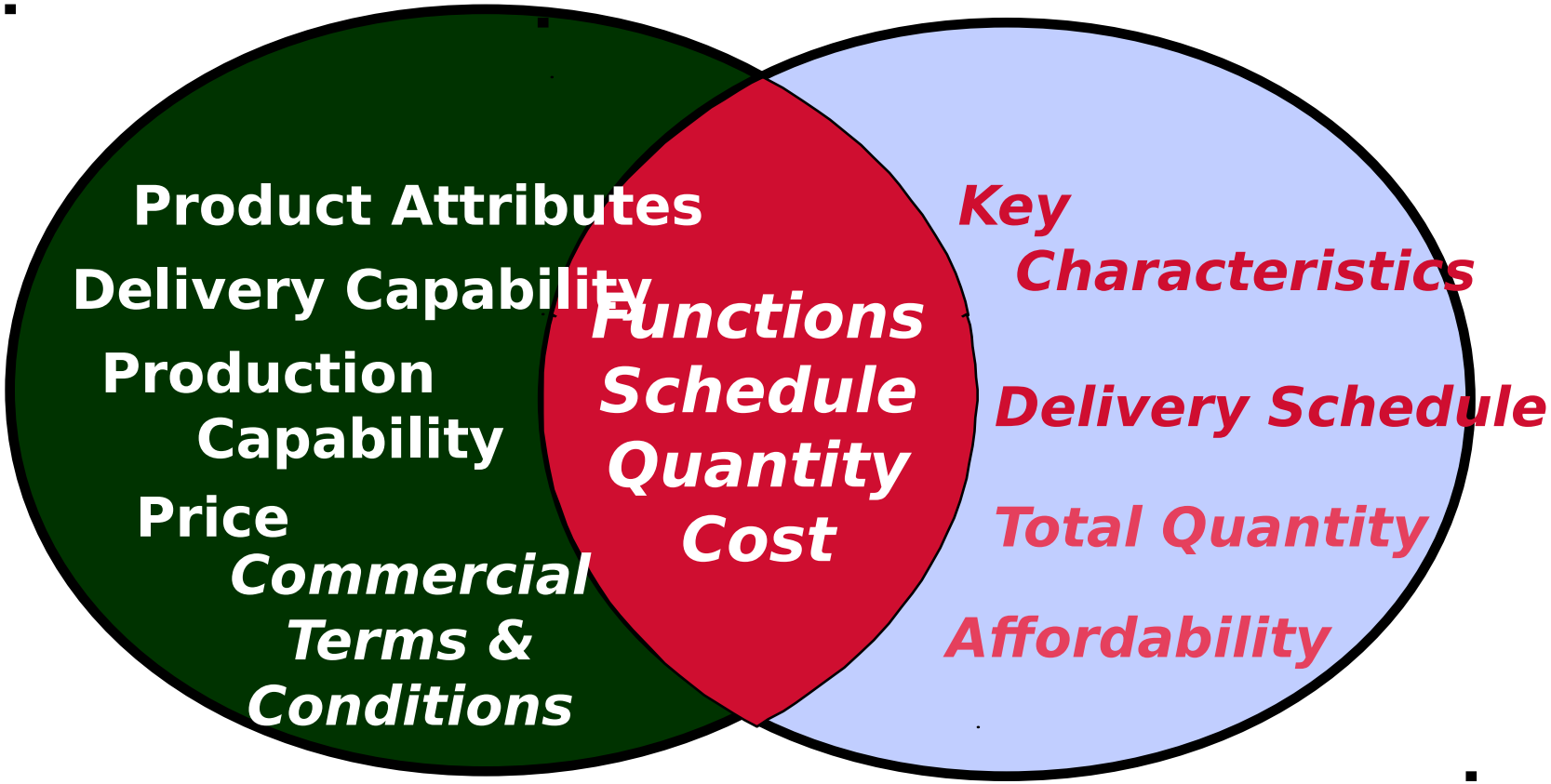


Commerciality Decision



Market Research

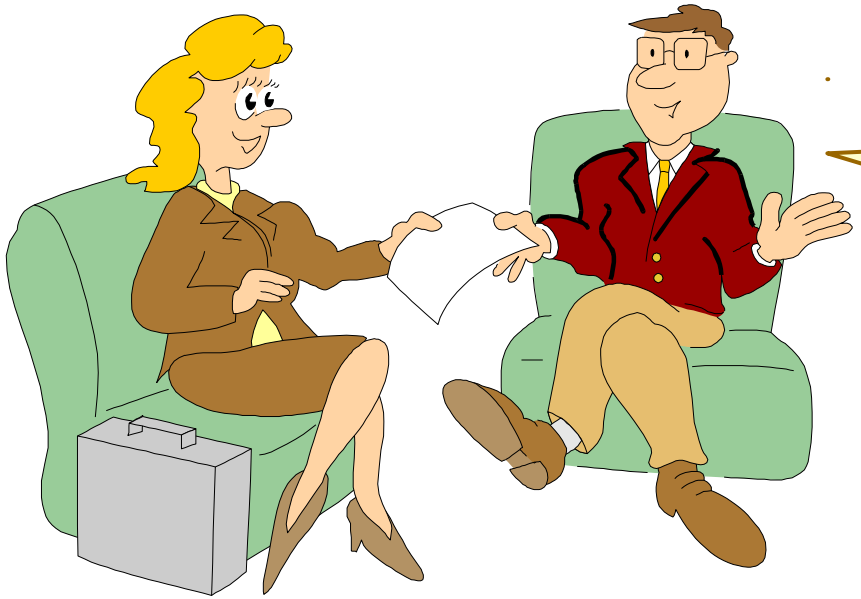
Total Requirements



Be Willing to Revisit the Need

- Commerciality
- Unique Requirements
- Overstated Requirement

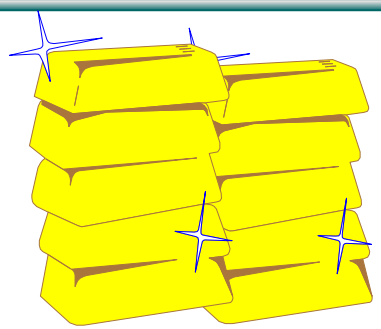
We can't buy this service commercially because of the requirement for...



This decision will cost...
We will exceed schedule by ..

Revisiting the need is part of the process!

Using Market Research Results



Commerciality Decision

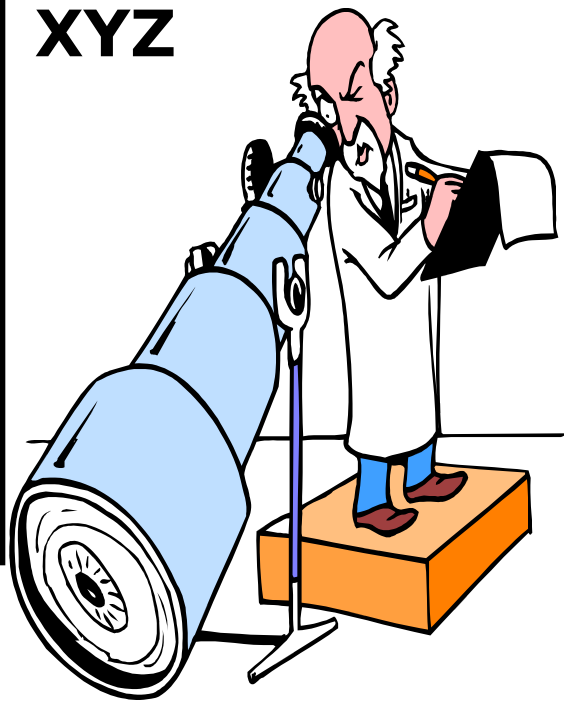
Competition

Evaluation Criteria

Contract Method/Type

The Commerciality Decision

Req't/Vendor	ABC	DEF	XYZ
Security	Yes	Yes	Yes
Svcs	Yes	No	No
Threat	Yes	No	Yes
Assess	No	Yes	Yes
	No	No	Yes



Surveillance

Physical Sec

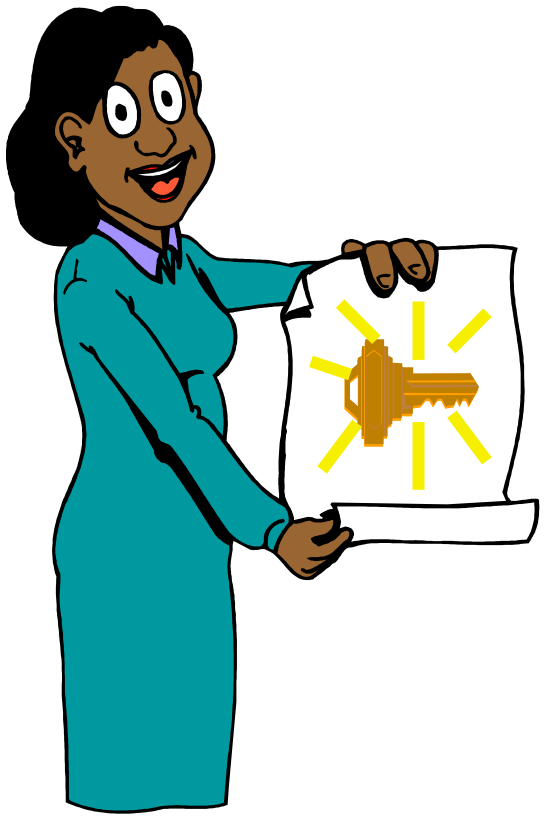
Does market capability exist?

Info Sys Sec

Summary

Market Research…

- Characteristics
- Capabilities
- Commercial Practices
- Statutes/Trends



The key to the Market Place!

Practical Exercise

Camp Swampy Meets Michell

- ***Determine Need***
- ***Propose Plan***
- ***Perform Market Research***
- ***Make Commerciality Decision***
- ***Execute Report***